



## Early Journal Content on JSTOR, Free to Anyone in the World

This article is one of nearly 500,000 scholarly works digitized and made freely available to everyone in the world by JSTOR.

Known as the Early Journal Content, this set of works include research articles, news, letters, and other writings published in more than 200 of the oldest leading academic journals. The works date from the mid-seventeenth to the early twentieth centuries.

We encourage people to read and share the Early Journal Content openly and to tell others that this resource exists. People may post this content online or redistribute in any way for non-commercial purposes.

Read more about Early Journal Content at <http://about.jstor.org/participate-jstor/individuals/early-journal-content>.

JSTOR is a digital library of academic journals, books, and primary source objects. JSTOR helps people discover, use, and build upon a wide range of content through a powerful research and teaching platform, and preserves this content for future generations. JSTOR is part of ITHAKA, a not-for-profit organization that also includes Ithaka S+R and Portico. For more information about JSTOR, please contact [support@jstor.org](mailto:support@jstor.org).

*Life of Adam Smith.* By R. B. HALDANE, M.P. London, Walker and Scott, 1887.—12mo, ix, 116, x, pp.

This volume has been contributed by Mr. Haldane to the series of *Great Writers* edited by Professor Robertson. Its aim is therefore primarily literary, and it is presumably not intended for students of economics. At all events it is a mere sketch, containing no new material, and giving only a synopsis of Smith's economic opinions, which will be of no interest except to the general reader. The sole reason the book is mentioned in this place is to call the attention of students to the bibliography, prepared by Mr. John P. Anderson of the British Museum, and appended to Mr. Haldane's volume. The bibliography not only contains full titles and information as to thirty-three different editions of the *Wealth of Nations*, but also gives for the first time an exceedingly serviceable list of the books and criticisms on Smith's great work. This list contains one hundred and three titles, exclusive of magazine articles, and comprehends all the principal books in English, French, German, Italian, and Russian. I have been able to discover no omissions of importance, except the works of Held, Studnitz, Helferich, Delatour, and Janzhul. The bibliography will be found very convenient.

E. R. A. S.

*Letters of David Ricardo to Thomas Robert Malthus, 1810–1823.* Edited by JAMES BONAR, LL.D. Oxford and London, Henry Frowde, 1887.—8vo, xxiv, 251 pp.

It is not given to every thinker to become his own commentator more than half a century after his death, and at the moment when his views must be re-affirmed and re-interpreted or suffer permanent eclipse. This unusual fate has overtaken that remarkable man who gave to political economy one-half of its scientific method, and whose *Principles* are the institutes by which degrees of orthodoxy in the science are measured. Mr. Bonar, whose excellent book on *Malthus and his Work* did good service in recalling attention to the historical connection between recent developments of economic thought and the labors of Malthus, has put students under further and very great obligations in the present work. The letters are printed from the original manuscripts in the possession of Colonel Malthus, C.B. They cover the whole period of the friendship of Ricardo and Malthus. It is greatly to be regretted that the letters from Malthus to Ricardo were probably destroyed, for, as Mr. Bonar very truly observes, not only must we decline to believe that we have the whole case before us when we are within hearing of only one

of the disputants, but in this particular case, though Ricardo had every desire to be just to his opponent, "his cast of mind was so different that he can hardly be thought to have entered into his opponent's views with perfect sympathy."

Mr. Bonar has edited the collection with scrupulous care, and added a wealth of notes and references that will be extremely helpful to the reader who desires to follow out with some minuteness the early development of English economic thought. The preface contains a judicious estimate of Ricardo's intellectual qualities, and points out how different were the premises of all his political and economic reasonings from those that economists start from to-day. This is followed by an "outline of subjects," which enables the reader to discover at a glance what topics are discussed in the letters, or what letters deal with the particular subject he may be following, and to learn without waste of time the drift of the argument.

The letters are devoted chiefly to economic discussion, though there are frequent allusions to public affairs and the political reforms in which Ricardo was deeply interested. In many of them we catch momentary glimpses of his domestic life, and there is now and then a pleasing disclosure — wholly devoid of self-consciousness — of his amiable disposition and simple manliness. There is no such wealth of incident, no such complete self-revelation, and therefore no such biographical interest as we find in the letters and diaries of Professor Jevons, but there is enough to fully verify the impressions formed of Ricardo by his contemporaries and to bear out the portrait of him drawn by McCulloch, as an affectionate and zealous friend, a man ever open to conviction, loving truth for its own sake, and one than whom "no man was ever more thoroughly free from every species of artifice and pretension; more sincere, plain, and unassuming." He thoroughly detested London and all its ways, and lost no opportunity to spend a few days at his quiet country seat, Gatcomb Park, where he loved to entertain his friends — and Malthus best of all. The friendship of the two men was grounded in the most genuine respect for each other's character and abilities. Each was the other's best, and it may be added, most unsparing critic, and their constant interchange of opinions was the stimulus that spurred each to the performance of much of his best work. Ricardo's views are invariably expressed in terms of stately courtesy, but they are defended, and those of Malthus are assailed, with a vigor that leaves nothing to be desired.

The publication of these letters could hardly have been more opportune. For twenty years the drift of opinion has set more and more strongly away from the Calvinism of Ricardo, and toward the Arminianism of Malthus, to quote the figure used by Mr. Bonar in his former

work. The "hegemony of the school" (of Adam Smith) which was the prize for which Ricardo and Malthus contended, and which was won by Ricardo, has passed over, not to Malthus, indeed, but to those who have followed out his inductive methods and practical bent. Very recently there have been some signs of a partial reaction, not only toward the re-employment of Ricardo's method as a necessary part of a scientifically complete method, but toward the reassertion of principles that, after all allowances have been made, remain essentially Ricardian doctrines. His method, of isolating in thought an assumed cause of economic phenomena and following it out into ever multiplying effects, is often brilliantly illustrated in the discussions before us. Malthus reversed the process. Starting from the concrete phenomenon, he sought to discover and describe all the factors entering into it, and to determine their relations to one another. As for substance of doctrine, the conviction that these letters strengthen is, that the theory of value in its relation to utility on the one side, and to labor on the other, has not yet reached its final statement. Notwithstanding the modification and re-interpretation of the Ricardian theory begun by John Stuart Mill, and acutely continued by Cairnes and Sidgwick, there remains a gap, of which the reader of these letters is sharply conscious, between that theory and the doctrines of Jevons, Menger and Böhm Bawerk, which Mr. Bonar accepts as constituting a theory of value "that will embrace all cases of it"; and a gap not to be annihilated by describing Ricardo, in the words of Professor Jevons, as an "able but wrong-headed man." This consciousness of a hiatus in our systematic economics is awakened or confirmed more by these letters than it could be by a reperusal of the *Principles*, because here we see Ricardo, hard pressed by his opponent, recognizing the "residual phenomena" that would not come within his formulas, while; at the same time, he never for a moment lets go his conviction that they are essentially true. For the student who will patiently go over the whole ground of Ricardian economics, comparing it point by point with the economics of the school of Jevons, there is work to do that will not be barren of results.

To take up singly the questions fought over in these letters is impracticable in a brief review. Ricardo's letters in the *Morning Chronicle*, afterwards reprinted in the pamphlet on *The High Price of Gold Bullion*, led to the acquaintance with Malthus, and letters 1 to 14 discuss at some length the influence of the depreciation of the currency on the foreign exchanges. Ricardo maintains against Malthus, among other positions, one that is now admitted to be fundamental in a sound theory of money, namely, that the amount of the currency of a nation is determined for it not simply by its size and population but by the nature and extent of its trading transactions, and

one that subsequent economic history has fully verified, to wit, that an increase of wealth is not necessarily accompanied by an increased rate of profits. Letters 78 to 88 discuss the measure of value. Overproduction is the chief subject in seven letters and the discussion of rent, wages and profits runs through the entire collection. A great deal of it is tiresome. Not a little of it is a dreary logomachy consequent upon Ricardo's failure to think out his results to the logical end and into some consistency with one another. If any doubt remained that Ricardo was not that remorselessly logical and self-consistent thinker that the socialists would have us believe, it would be effectually dispelled by the present work. Still, there runs through the whole discussion one affirmation with which everything that is permanent in Ricardo's economics can probably be reconciled. This is the proposition, stoutly defended in case after case where Malthus seems to have questioned its validity, that the only cause of permanently high or low profits, or of permanently high or low wages, in short the only *vera causa* of economic phenomena in general, is the facility of procuring necessaries, of which food may be taken as the type. Now in this affirmation we may fix attention on the labor involved in producing necessaries, or on the amount of necessaries that labor produces. The one course will give us a term that is incommensurate with any utility, and bears no fixed relation to economic facts. We shall conceive of "amount of labor" as being duration of labor multiplied by its intensity in the sense of fatigue, the wear and tear of muscles and nerves. Of "amount of labor" in this sense there is no measure whatever. The other course gives us a term that is commensurate with all utilities and that does have a fixed relation to economic facts of every kind. In this case we conceive of "amount of labor" as being duration of labor multiplied by its intensity in the sense of efficiency. "Amount of labor" in his sense is measurable, but the sole measure is product. This distinction Ricardo failed to make and his confusion of thought was therefore inevitable, for to say that value is measured by "amount of labor" may be entirely true or entirely false according to what is meant. The reduction to absurdity of one meaning is the preposterous first chapter of the *Capital* of Karl Marx, and it is not strange that Cairnes and Sidgwick have failed to make anything of it. The other meaning affords the proposition that the whole range of values is determined and measured by the produce of labor at the margin of cultivation. It was this proposition, really, that Ricardo was defending in all that he wrote. It is the central doctrine of Ricardianism, with which the later theories of value should be and can be brought into logical relation, although, as has been said, there remain gaps to be filled by further analysis.

As a whole these letters deepen the sense of indebtedness to Ricardo,

not only for his positive contributions to economic theory, but not less for his example of the spirit in which scientific research and discussion should be conducted. His last letter to Malthus, written but twelve days before his untimely death, closes with words that beautifully reveal the scientific and moral temper of the man: "And now, my dear Malthus, I have done. Like other disputants, after much discussion we each retain our own opinions. These discussions, however, never influence our friendship; I should not like you more than I do if you agreed in opinion with me."

F. H. GIDDINGS.

*The Life and Work of the Seventh Earl of Shaftesbury, K.G.*

By EDWIN HODDER. Popular edition, with eight full-page illustrations. Cassell & Company, 1887. — 792 pp.

These memoirs of Lord Shaftesbury, largely composed of selections from the diaries in which he had "unconsciously written his own life," form, in effect, nearly an autobiography of the eminent philanthropist. The account of his work and its relation to his times is set forth from his own point of view, and with full confidence to the reader of his thoughts and feelings about the plans and measures which absorbed his own energies and sympathies. Thus much light, not indeed of the cool and dry kind, is cast upon the inner history of the social reforms to which his life was given, and especially that of the factory legislation with which his name and fame are justly identified.

While Lord Shaftesbury was alive to every movement affecting the welfare of the masses in his time, he early in his public life "took a retainer," so to say, in behalf of the women and young children whose condition in mines and factories presented them in the light of victims rather than beneficiaries of the new prosperity of England. To remedy that condition by appropriate legislation was quite the one idea of his public life, till such legislation was secured and perfected.

Only a man of one idea, it would seem, could have thus persuaded England to give adequate consideration to the condition and needs of her factory workers. Issues of far more obvious and urgent importance absorbed public attention and the time of Parliament. The great industrial inventions effected in the eighteenth century had resulted in transforming England from an essentially agricultural to an essentially manufacturing country, in changing the distribution of population and displacing handicrafts by the factory system. The England of the nineteenth century was to be adjusted to these new conditions. Parliamentary reform, the repeal of the corn laws, the most serious political questions, engaged and agitated the public mind. The drift of political